



General Assembly

February Session, 2010

Amendment

LCO No. 4751

SB0009304751SD0

Offered by:

SEN. CRISCO, 17th Dist.

REP. FONTANA, 87th Dist.

To: Subst. Senate Bill No. 93

File No. 652

Cal. No. 213

**"AN ACT CONCERNING REVISIONS TO THE INSURANCE
STATUTES."**

1 After line 369, insert the following:

2 "(d) (1) The commissioner may engage the services of attorneys,
3 appraisers, independent actuaries, independent certified public
4 accountants or other professionals and specialists to assist in
5 conducting the examinations under this section as examiners, the cost
6 of which shall be borne by the company that is the subject of the
7 examination.

8 (2) No cause of action shall arise nor shall any liability be imposed
9 against the commissioner, the commissioner's authorized
10 representatives or any examiner appointed by the commissioner for
11 any statements made or conduct performed in good faith while
12 carrying out the provisions of this section.

13 (3) No cause of action shall arise nor shall any liability be imposed

14 against any person for the act of communicating or delivering
15 information or data to the commissioner or the commissioner's
16 authorized representative or examiner pursuant to an examination
17 made under this section, if such act of communication or delivery was
18 performed in good faith and without fraudulent intent or the intent to
19 deceive.

20 (4) This section shall not abrogate or modify any common law or
21 statutory privilege or immunity heretofore enjoyed by any person
22 identified in subdivision (2) of this subsection.

23 (5) A person identified in subdivision (2) of this subsection shall be
24 entitled to an award of attorney's fees and costs if such person is the
25 prevailing party in a civil cause of action for libel, slander or any other
26 relevant tort arising out of activities in carrying out the provisions of
27 this section and the party bringing the action was not substantially
28 justified in doing so. For the purposes of this section, a proceeding is
29 "substantially justified" if it had a reasonable basis in law or fact at the
30 time that it was initiated."

31 In line 370, strike "(d) No" and insert the following in lieu thereof:
32 "(e) Notwithstanding subdivision (1) of subsection (d) of this section,
33 no"

34 In line 380, strike "(e)" and insert "(f)" in lieu thereof

35 In line 388, strike "(f)" and insert "(g)" in lieu thereof

36 Strike section 21 in its entirety

37 After the last section, add the following and renumber sections and
38 internal references accordingly:

39 "Sec. 501. Section 38a-571 of the general statutes is repealed and the
40 following is substituted in lieu thereof (*Effective from passage*):

41 In addition to the options for individual comprehensive health care
42 plans, the Health Reinsurance Association shall make available to

43 individuals, on the same terms and conditions as are applicable to the
44 other individual comprehensive health care plan options under
45 sections 38a-505 [, 38a-546] and 38a-551 to 38a-559, inclusive, including
46 the provisions for establishment and filing of premium rates, the
47 option to purchase an individual special health care plan identical to
48 the special health care plan for small employers established in
49 accordance with section 38a-565, except that such individual special
50 health care plan may be offered without prescription drug coverage.
51 The requirement that coverage not have been maintained for a one-
52 year period contained in subdivision (2) of subsection (b) of section
53 38a-565 shall not apply to individual special health care plans.

54 Sec. 502. Subdivision (1) of subsection (a) of section 19 of house bill
55 5090 of the current session, as amended by House Amendment
56 Schedule A, is repealed and the following is substituted in lieu thereof
57 (*Effective July 1, 2010*):

58 (a) (1) Any (A) rate filing made pursuant to section 38a-481, as
59 amended by this act, for health insurance that provides coverage of the
60 type specified in subdivisions (1), (2), (4), (11) and (12) of section 38a-
61 469, (B) schedule of amounts filed pursuant to section 38a-183, as
62 amended by this act, for individual contracts, (C) schedule of rates
63 filed pursuant to section 38a-208 for individual contracts, or (D)
64 schedule of rates filed pursuant to section 38a-218 for individual
65 contracts, on or after July 1, 2010, shall be filed not later than one
66 hundred twenty calendar days prior to the proposed effective date of
67 such rates or amounts.

68 Sec. 503. Subparagraph (A) of subdivision (1) of subsection (b) of
69 section 19 of house bill 5090 of the current session, as amended by
70 House Amendment Schedule A, is repealed and the following is
71 substituted in lieu thereof (*Effective July 1, 2010*):

72 (b) (1) (A) The commissioner shall hold a hearing for [(i) a rate filing
73 made pursuant to section 38a-481 for health insurance that provides
74 coverage of the type specified in subdivisions (1), (2), (4), (11) and (12)

75 of section 38a-469, (ii) a schedule of amounts filed pursuant to section
76 38a-183, (iii) a schedule of rates filed pursuant to section 38a-208, or
77 (iv) a schedule of rates filed pursuant to section 38a-218] a rate or
78 amount filing made under subsection (a) of this section, if:

79 (I) Such rate or amount filing includes a product with a medical loss
80 ratio, as defined in subsection (b) of section 38a-478~~l~~ of the general
81 statutes, of seventy-five per cent or less for the preceding filing period
82 or twelve months, whichever is greater;

83 (II) The proposed rate of increase in such rate or amount is more
84 than twice the rate of the most recent annual increase in the consumer
85 price index for medical care, as published by the Bureau of Labor
86 Statistics of the United States Department of Labor; and

87 (III) The Healthcare Advocate or the Attorney General requests a
88 hearing not later than five business days after such rate or amount
89 filing has been posted on the Internet web site of the Insurance
90 Department.

91 Sec. 504. Subsection (a) of section 38a-183 of the general statutes, as
92 amended by section 22 of house bill 5090 of the current session, as
93 amended by House Amendment Schedule A, is repealed and the
94 following is substituted in lieu thereof (*Effective July 1, 2010*):

95 (a) A health care center governed by sections 38a-175 to 38a-192,
96 inclusive, shall not enter into any agreement with subscribers unless
97 and until it has filed with the commissioner a full schedule of the
98 amounts to be paid by the subscribers and has obtained the
99 commissioner's approval thereof, or for individual contracts, as set
100 forth in section 19 of [this act] house bill 5090 of the current session.
101 Each such health care center shall not enter into any agreement with
102 subscribers unless and until it has filed with the commissioner a copy
103 of such agreement or agreements, including all riders and
104 endorsements thereon, and until the commissioner's approval thereof
105 has been obtained.

106 Sec. 505. Subsection (b) of section 38a-481 of the general statutes, as
107 amended by section 18 of house bill 5090 of the current session, as
108 amended by House Amendment Schedule A, is repealed and the
109 following is substituted in lieu thereof (*Effective July 1, 2010*):

110 (b) (1) No rate filed under the provisions of subsection (a) of this
111 section for health insurance that provides coverage of the type
112 specified in subdivisions (1), (2), (4), (11) and (12) of section 38a-469
113 shall be effective unless approved by the commissioner as set forth in
114 section 19 of house bill 5090 of the current session.

115 [(b)] (2) No rate filed under the provisions of subsection (a) of this
116 section for health insurance that provides coverage of a type not
117 specified in subdivision (1) of this subsection shall be effective until the
118 expiration of thirty days after it has been filed or unless sooner
119 approved by the commissioner [as set forth in section 19 of this act] in
120 accordance with regulations adopted pursuant to this subsection. The
121 commissioner shall adopt regulations, in accordance with chapter 54,
122 to prescribe standards to ensure that such rates shall not be excessive,
123 inadequate or unfairly discriminatory, as defined in section 19 of [this
124 act] house bill 5090 of the current session. The commissioner may
125 disapprove such rate within thirty days after it has been filed if it fails
126 to comply with such standards."